



Administrative Policies and Procedures: 3.3

Subject:	Overpayments Made To Resource Parents
Authority:	TCA 9-4-604; 37-5-105; 37-5-106; 37-5-112; Transfer Rules
Standards:	DCS Practice Model Standard: 2-500
Application:	To All Department of Children's Services Finance Employees

Policy Statement:

If overpayments have been made by the department to Resource Parents, *TCA 9-4-604* obligates the department to recover foster care overpayments. The department shall deduct from amounts that are or become due and payable to Resource Parents under any contract between the Resource Parents and the State of Tennessee. Overpayments shall be repaid to the department by direct reimbursement from Resource Parents or deduction from the monthly adoption assistance payments to the Resource Parents.

Purpose:

To ensure a process for reimbursement of foster care overpayments to DCS.

Procedures:

A. Notification of overpayments	<ol style="list-style-type: none">1. Resource parents are responsible for reporting any overpayments received immediately to their assigned Family Service Worker or Permanency Specialist; or resource parents are to be notified by their Family Service Worker or Permanency Specialist as soon as the Family Service Worker or Permanency Specialist is aware of an overpayment. The Family Service Worker or Permanency Specialist will provide the resource parents with the specific details causing the overpayment.2. Resource parents are to be notified by letter from the Central Office Finance and Program Support Division staff when overpayments to resource parents are identified and reported.3. Identified and reported foster care overpayments are to be recorded by Central Office Finance and Program Support Division staff as accounts receivables in the department's financial records and any associated federal funds are to be adjusted.
B. Repayments	<ol style="list-style-type: none">1. Resource parents are expected to repay departmental overpayments either by:<ol style="list-style-type: none">a) Refunding the total amount of the overpayment, orb) Reducing their bi-monthly foster care payment by 50% or more depending

	<p>on the amount of the overpayment until the overpayment is paid in full.</p> <ol style="list-style-type: none">2. The written notice must advise the resource parents that their foster care payments will be reduced by 50% or more depending on the amount of the overpayments.3. Repayment checks or money orders must be made payable to the <u>Department of Children's Services</u>.4. The resource parents may mail the repayment check or money order to the Central Office Finance and Program Support Division along with a copy of the overpayment notice or an explanation attached to the repayment check or money order.5. If the resource parents submit the repayment check to regional staff, the check must be restrictively endorsed and deposited with a State of Tennessee Deposit Slip (Form FA-0772) according to the <i>Department of Finance and Administration Policy 25</i> for deposits. A copy of the State of Tennessee deposit slip must be sent to the Central Office Finance and Program Support Division with a completed ChipFins adjustment form no later than once per week.
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Forms:	<i>FA-0772, State of Tennessee Deposit Slip</i> (Not a DCS form)
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Collateral documents:	<i>Department of Finance and Administration Policy 25</i>
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